

Appendix F:

Workforce Plan

SECTION I

OVERVIEW

The Texas Alcoholic Beverage Commission (formerly the Texas Liquor Control Board) was created in 1935.

Under the Alcoholic Beverage Code, the TABC *“shall inspect, supervise and regulate every phase of the business of manufacturing, importing, exporting, transporting, storing, selling, advertising, labeling and distributing alcoholic beverages, and the possession of alcoholic beverages for the purpose of sale or otherwise.”*

“This code is an exercise of the police power of the state for the protection of the welfare, health, peace, temperance and safety of the people of the state. It shall be liberally construed to accomplish this purpose.”

The Texas Alcoholic Beverage Code was enacted to protect against involvement of the criminal element in beverage alcohol trafficking. The legislature has very strictly prohibited persons who have been convicted of certain crimes from obtaining licenses or permits. Also prohibited are “tied house” violations where ownership overlaps the three marketing levels (manufacturing, wholesaling, and retailing) in the alcoholic beverage industry.

The separation of marketing levels is closely scrutinized. TABC employees review all shipments of alcoholic beverages into Texas, as well as any transfer of merchandise between

wholesalers. Background investigations and other research are undertaken when a person applies for a permit or license to operate in some phase of the industry. Efforts are made to detect ownership by others involved at different levels, as well as those factors that would tend to disqualify an applicant, such as previous criminal history or indebtedness to the state for taxes.

ORGANIZATIONAL STRUCTURE

The policy-making body of the agency is a three-member governing board appointed by the Governor with the advice and consent of the Senate. Members of the commission hold office for staggered terms of six years, with the term of one member expiring every two years. Each member must be a Texas resident and must have resided in the state for at least five years preceding the appointment. Commission members serve without salary.

The commission is currently comprised of Chairman John Steen, of San Antonio; José Cuevas, Jr., of Midland; and Steven M. Weinberg, MD, JD, of Colleyville.

An administrator, appointed by the three-member governing board, directs the daily operations of the Texas Alcoholic Beverage Commission. Current Administrator Alan Steen was appointed August 1, 2003. He is responsible for employing staff to ensure that the policies established by the commission and the laws enacted by the legislature are implemented in an efficient and cost-effective manner.

Sharing in that responsibility is the assistant administrator of support services, chief of field operations, general counsel, director of the office of professional responsibility, and the public information officer. See Appendix B for a detailed organization chart.

An independent audit firm performs internal audit functions for the agency, reporting directly to the commissioners.

Field Operations: Enforcement and Compliance

The agency's largest and most visible divisions, enforcement and compliance, were recently combined into one operating unit – field operations. The chief of field operations oversees two assistant chiefs who supervise enforcement, as well as one assistant chief who supervises the compliance division.

The enforcement division is responsible for the criminal and administrative enforcement of the state's alcoholic beverage laws. Certified peace officers, known as TABC agents, inspect premises licensed by the agency and investigate alleged violations of the Alcoholic Beverage Code and other state laws. Increasingly, the commission has placed a greater emphasis on developing initiatives that target the problems associated with underage drinking and over-consumption of alcohol.

The compliance division is charged with the administrative/regulatory enforcement of the Alcoholic Beverage Code. The division plays a role in the initial phases of the licensing process, inspections, and fee analysis. They play a role in monitoring seller training schools to ensure compliance with agency standards. In addition,

compliance personnel conduct investigative audits and other financial reviews, and assist the enforcement division in various types of investigations. The compliance division is also responsible for oversight of the promotion of alcoholic beverage products in Texas.

Both enforcement agents and compliance auditors provide training to permit holders and their employees, upon request as well as in response to age law violations by the permittee. In addition, presentations are delivered to students, ranging from middle schools to university settings. Finally, they provide presentations to civic organizations and other law enforcement agencies in an attempt to promote a better understanding of the law and the roles and responsibilities of the agency.

Tax

The tax division is charged with the oversight of the taxing authority of the agency. Personnel receive, process and audit monthly excise tax reports to ensure taxes have been paid and that other reporting requirements are in adherence with the Alcoholic Beverage Code. The division also oversees the testing and labeling of alcoholic beverage products in Texas.

The ports of entry program, a section of the tax division, is responsible for ensuring compliance with personal importation laws and the collection of taxes and fees on alcoholic beverages and cigarettes brought into Texas from Mexico. Cigarette taxes are collected on behalf of the Office of the Comptroller of Public Accounts. Agency personnel are stationed at all major bridges along the Texas-Mexico border.

Education and Prevention

The education and prevention staff oversee agency programs involving educating the public, retailers, and their employees of the laws associated with consuming alcoholic beverages. They lead the agency's efforts to prevent illegal underage drinking, illegally making alcohol available to minors, as well as driving while intoxicated. The staff work with different statewide and local agencies, community coalitions and other groups to share information as well as participate in various programs to prevent underage drinking.

Licensing

The licensing division investigates and processes applications for all phases of the alcoholic beverage industry, including the manufacture, sale, purchase, transportation, storage, and distribution of alcoholic beverages. The division must ensure that each applicant qualifies to hold such license/permit and adheres to all applicable regulatory requirements. Approximately 100,000 licenses and permits are issued each year by division personnel.

Office of Professional Responsibility

The office of professional responsibility (internal affairs) oversees or conducts all internal investigations concerning the conduct of agency employees.

Information Resources

The information resources division is responsible for developing and maintaining the core technology applications for the agency, which includes licensing, enforcement, compliance, legal, and business services. Additionally, the division establishes and supports the technology infrastructure that facilitates agency operations, and is charged with researching and analyzing how to apply

new technologies to solve business problems.

Business Services

The business services division is responsible for all fiscal operations of the agency, including revenue processing, accounts payable, payroll, time and leave accounting, maintenance of the general ledger, research and planning, as well as preparation and oversight of the agency's legislative appropriations request, annual financial report, and performance reports. The general services section of business services is responsible for staff support functions of purchasing, historically underutilized business (HUB) program coordination, records retention coordination, real and personal property management, facilities leasing, fleet management, mail center operations, and warehousing.

Human Resources

The human resources division manages employment-related activities, including recruitment, selection, benefits and compensation, employee relations, classification, training, risk management, and implementation of the agency's equal employment opportunity program.

Legal Services / General Counsel

The agency's legal services and general counsel division prepares, processes, and prosecutes administrative cases dealing with violations of the Alcoholic Beverage Code. This division also reviews and prosecutes application protests by the commission, local authorities, and citizens to the issuance of licenses and permits. When violations by permittees and licensees throughout the state are alleged, a hearing is held by the State Office of Administrative Hearings. Outcomes of such hearings

include recommendations to cancel, suspend, grant, or deny a license or permit.

MISSION

The mission of the Texas Alcoholic Beverage Commission is to promote public safety and serve the people of Texas through consistent, fair and timely administration of the Alcoholic Beverage Code while fostering education, voluntary compliance and legal, responsible alcohol consumption.

VISION

A safe and responsible Texas served by an Alcoholic Beverage Commission committed to innovative partnerships with our communities and the alcoholic beverage industry.

PHILOSOPHY AND VALUES

The Texas Alcoholic Beverage Commission will:

- apply the Alcoholic Beverage Code in a fair, consistent, and timely manner;
- exemplify courteous, ethical, and professional behavior;
- be fiscally responsible and accountable to the people of Texas; and
- be accessible, transparent, efficient and effective.

The agency's cornerstones provide the foundation for the agency – who we are and what we do. Everything else is built on these four principles.

- Service
- Courtesy
- Integrity
- Accountability

STRATEGIC GOALS AND OBJECTIVES

Goal 1: To protect the peace and safety of the public by taking positive steps to encourage voluntary compliance with the Texas Alcoholic Beverage Code and other state laws and by undertaking enforcement and regulatory actions that are both fair and effective.

Objective: Detect and prevent violations of the law.

Strategy: Deter and detect TABC code violations through enforcement actions.

Goal 2: To process and issue alcoholic beverage license/permit applications while ensuring compliance with the Alcoholic Beverage Code through investigations and other regulatory means.

Objective: Process and issue license and permit applications.

Strategy: Ensure compliance with laws and other regulatory requirements.

Goal 3: To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving, and distributing of alcoholic beverages.

Objective: Ensure compliance with the Alcoholic Beverage Code.

Strategy: Conduct inspections and monitor compliance.

Objective: Ensure maximum compliance with importation laws.

Strategy: Place ports personnel for maximum revenues.

SECTION II

Current Workforce Profile (Supply Analysis)

WORKFORCE DEMOGRAPHICS

The following charts profile the agency's workforce at the end of fiscal year 2007. TABC's workforce total is comprised of 61% males and 39% females. Over 60% of the employees are over the age of 40. More than 36% of employees have less than five years agency service. This figure is relatively high and possibly results from the turnover the agency has experienced in lower paid positions.

FIGURE 17: Agency Age Profile 2007

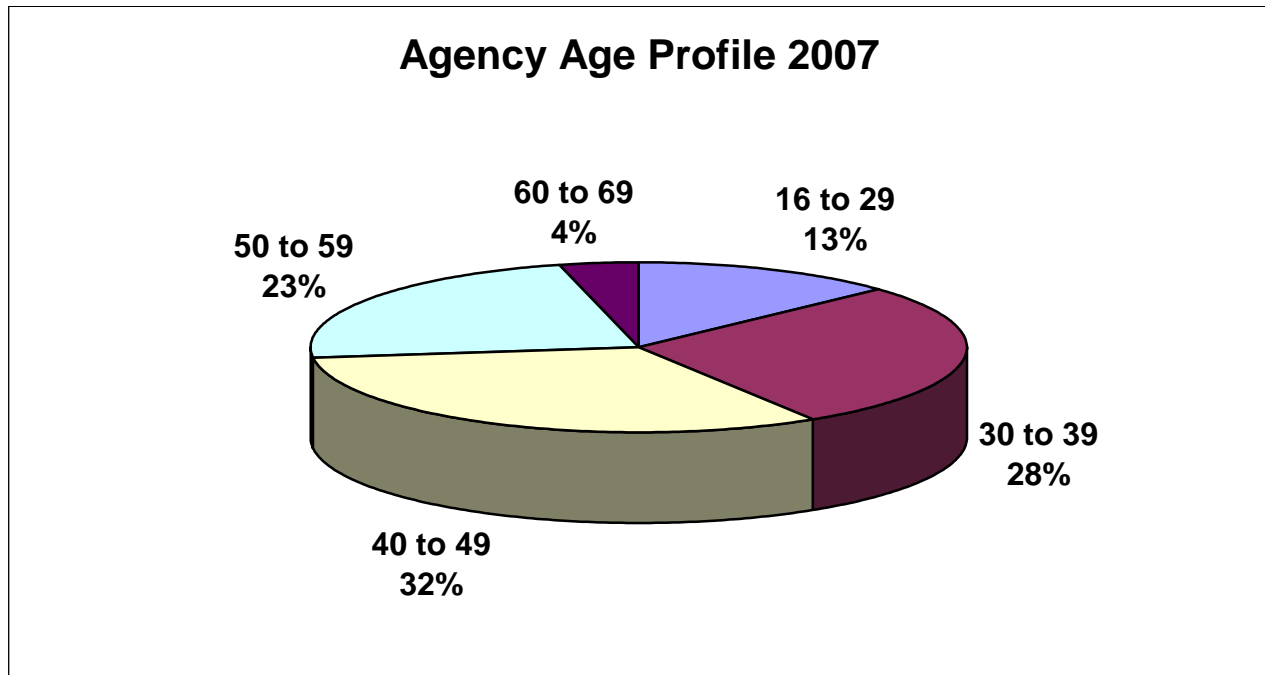


FIGURE 18: Agency Gender Profile 2007

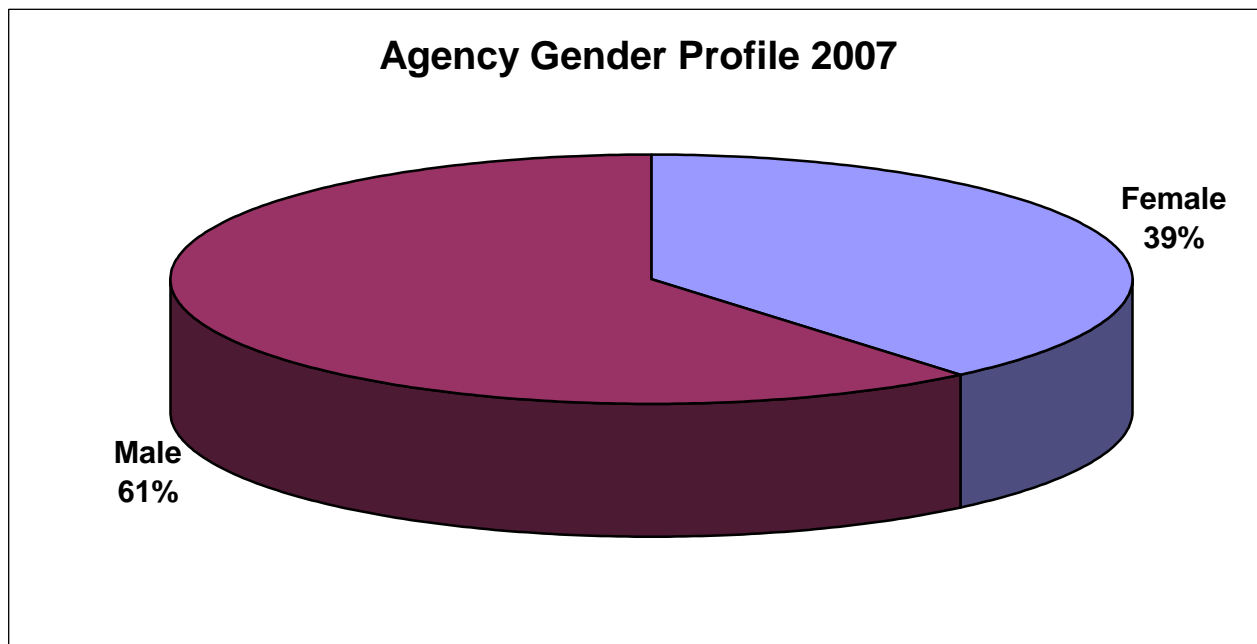
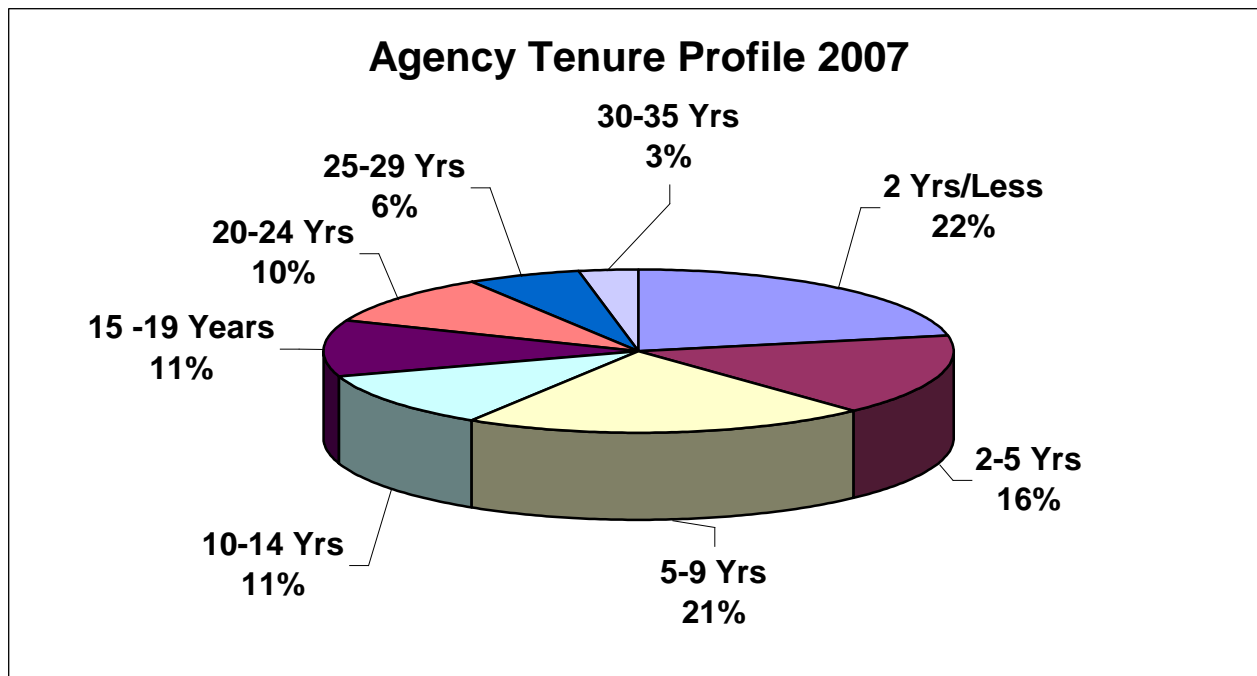


FIGURE 19: Agency Tenure Profile 2007



The following table compares the percentage of African American, Hispanic, and female employees to the statewide civilian workforce.

FIGURE 20: Workforce Profile Comparison 2007

EEO Category	Statewide Civilian Workforce					TABC Workforce				
	African American	Hispanic	White/Other	Female	Male	African American	Hispanic	White/Other	Female	Male
Officials/Administrators	7.0%	11.0%	82.0%	31.0%	69.0%	1.0%	1.0%	98.0%	45.0%	55.0%
Professional	9.0%	10.0%	81.0%	47.0%	53.0%	15.0%	23.0%	62.0%	52.0%	48.0%
Technical	14%	18%	68%	39%	61%	10%	30%	60%	10%	90%
Protective Services	18%	21%	61%	21%	79%	8%	25%	67%	13%	87%
Paraprofessional	18%	31%	51%	56%	44%	7%	72%	21%	55%	45%
Administrative Support	19%	27%	54%	80%	20%	16%	33%	51%	84%	16%
Skilled Craft	10%	28%	62%	10%	90%	1%	2%	97%	1%	99%

The agency remains under-represented in one or two areas of all seven EEO categories. However, during the last four years slight gains have been made in most categories.

African Americans comprised 14% and Hispanics accounted for 38% of the new hires during fiscal year 2007. African Americans made up 14% of the agency's terminations while 32% of the terminations were Hispanic.

The agency's representation of African Americans exceeded their availability in the statewide civilian workforce in the professional category. African American representation in the professional, technical and administrative support was less than 5% below the statewide availability. African American representation remains more than 10% below the available civilian workforce in the official/administrator, paraprofessional and protective services categories.

The agency has made consistent gains in the level of representation of Hispanics in most EEO categories. At the end of fiscal year 2007, Hispanic representation was less than the statewide availability in only two categories – official/administrator and skilled crafts.

The agency's representation of female employees has increased slightly. Females comprise 39% of TABC's workforce. The most significant underutilizations are found in the technical and skilled craft categories. In the protective service categories, TABC female representation is only 7% below statewide availability and only 1% below in the paraprofessional categories. Fifty-five percent of the new hires during 2007 were females; however, 46% of the terminations were females. There were 47 new hires during the 2003 calendar year, of which 22 (47%) were minorities.

Hispanic, African American and female representation in the technical and skilled craft categories remains low. These are two specialized categories containing a limited number of positions in which turnover rarely occurs, providing no opportunity to increase representation numbers. Consequently, the resignation or reclassification of one employee will drastically affect the overall representation.

During the last five years, the agency has experienced a fluctuating rate in its turnover as exhibited below. The following graph also compares the average TABC turnover rate to that of the state over the last five years. The agency's turnover rate has been lower than the state as a whole. Turnover can be attributed to a variety of reasons including retirements, resignations due

to salary dissatisfaction, and general attrition resulting from management changes and reorganizations.

The turnover rate of the agency will continue to increase due to expected retirements, but should remain below the statewide average. Over the next five years, it will become critical because of the high number of eligible personnel for retirement in key positions with a high degree of expertise. By the end of 2012, 146 employees will become eligible for retirement. Of those projected retirements, 85 are classified in non-commissioned positions. Commissioned peace officers account for 61 of the possible retirements. The following chart examines the potential loss of employees due to retirement over a five-year period.

FIGURE 21: Turnover Comparison TABC vs. Statewide

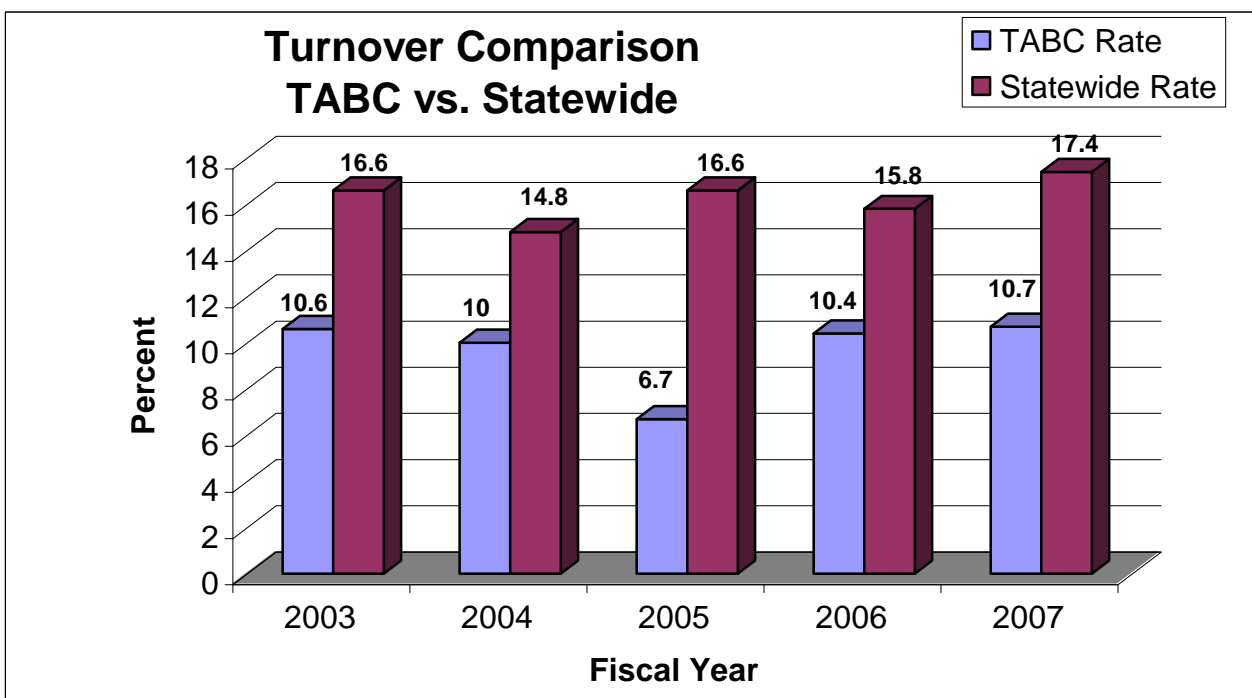
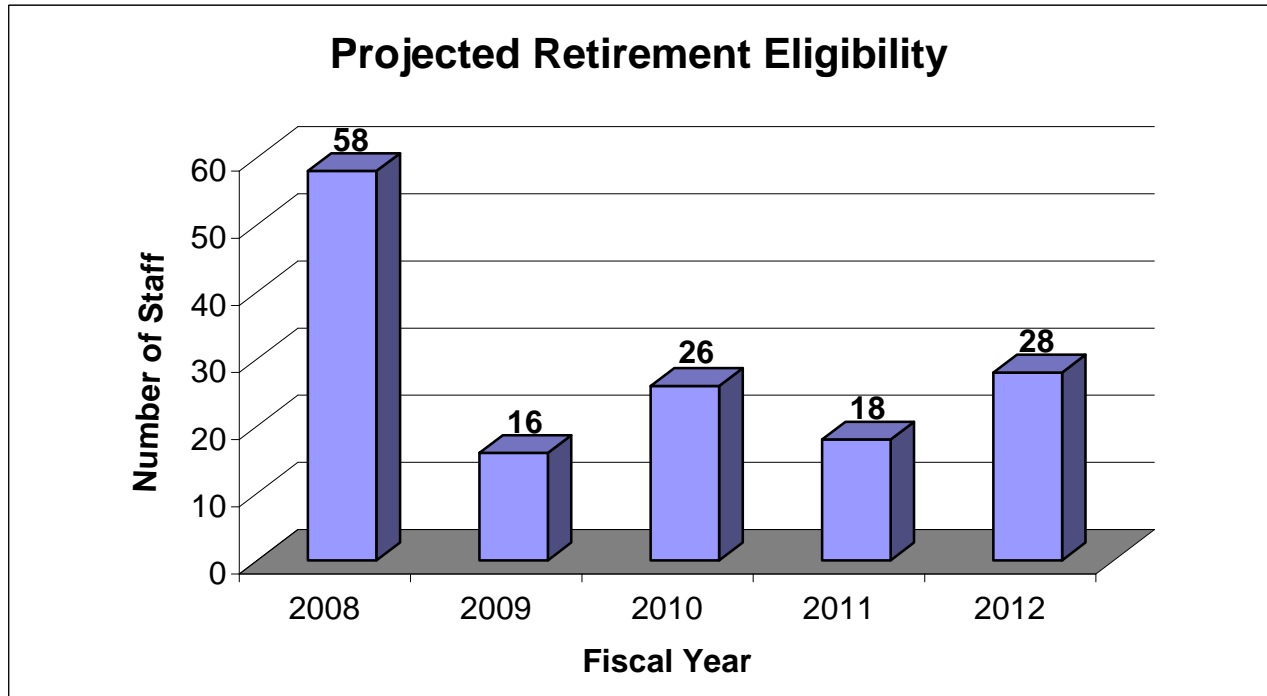


FIGURE 22: Projected Retirement Eligibility



CRITICAL WORKFORCE SKILLS

Although the agency has many qualified employees, there are critical skills necessary in order for the agency to operate: customer service and database development / maintenance. Without such, basic business functions could not be provided. We also recognize that skills such as written and verbal communication, foreign language skills, analytical reasoning, and interpersonal skills will always be a necessity.

During the hiring process, hiring supervisors shall continue to identify which knowledge, skills and abilities are necessary for filling vacant positions. The selection process should focus on those skills in both the screening criteria, interview questions, and if applicable, assessment exercises.

The identification of required competencies and a comprehensive skills audit throughout TABC should be undertaken so that future planning for the development and importation of workforce skills and competencies are improved.

CHALLENGES AFFECTING CRITICAL WORKFORCE SKILLS

Staffing, both currently and even more important in the future, requires employees with the educational level to match the complexity of the work they are required to perform. Although some positions will continue to only require a high school diploma, many skills needed for positions will support the preference for a college degree.

The workplace is becoming more automated and efficiency-oriented. The public expects services to be easily accessible, customer-friendly and cost effective. In addition, in the future, both workers and customers are becoming more diverse. As a result of these factors, staffing of positions will require better educated, trained, and a more technical staff. Many positions currently require outside and/or state certifications in order to perform job duties, and few positions within the agency will accommodate the hiring of non-experienced personnel due to down time and limited staff.

Organizational, communication and problem solving skills are needed at all levels of the organization. In addition, more positions within all divisions will require the utilization of technology to provide better efficiency and accessibility. The demand for increased information technology services means that staffing needs of the information resources division are critical. Positions will require expertise in developing technology, initiating process improvements and communicating with non-technical employees.

SECTION III

Future Workforce Profile (Demand Analysis)

EXPECTED WORKFORCE CHANGES

The law enforcement arm of the TABC workforce will be challenged by legislatively mandated physical requirements. The aging of the available workforce particularly in the enforcement division will pose unique challenges to the agency. The need for

a physically fit and physically able agent workforce will remain even though the population segment from which that workforce can be drawn (21 – 50 year olds) will shrink as a percentage of the general population. Increased automation may very well improve certain work processes and decrease manpower requirements to a limited degree, but it cannot offset the need for physical contact between enforcement agents and those they regulate or between enforcement agents and criminal violators. Under these circumstances, workforce demand may outpace available supply.

The population of Texas and its workforce will become increasingly Hispanic in composition. Asian and Southwest Asian subpopulations are also expected to grow disproportionately. Increased diversity has a multitude of possible advantages for the agency. A significant advantage is that increased diversity in the available workforce should make it easier for the agency to recruit, hire, and retain a greater number of bilingual enforcement agents, more of whom are desperately needed to serve an increasingly multilingual population.

While the agency's mission and the enforcement division's goals and objectives focus on public safety, the strategies, technologies, and work processes used to achieve them will change. As they change, so too will the knowledge, skills, and abilities needed within the workforce.

For example, in the past, the tactics used to achieve enforcement division's primary objective -- detecting and deterring violations of the Alcoholic

Beverage Code -- were limited to those associated with direct street enforcement -- inspections, surveillance, and limited undercover work. Today, with public education and a greater emphasis on working with and through other organizations added to the mix, agents have to communicate, teach, plan, organize, and motivate as well as enforce the law. Also, because of the growing use of technology and the increased complexity of some of the activities in which they take part, agents have to have a broader range of skills and knowledge.

This expansion of the division's tactical methods translates into a great expansion of the range of knowledge, skills, and abilities required of an effective enforcement agent. Neither expansion is expected to stop, which means the enforcement agent of tomorrow will have to be more broadly educated and better trained than those serving today. As a consequence, the agency will not only be competing to attract a shrinking segment of the future workforce, its competition will be increasingly focused towards the upper end of that segment.

Employees within the licensing division will require more formal education because of the complexity of business entities applying for licenses and permits. Most will require degrees in business, accounting, finance or related areas. Higher skilled employees will be required to be intuitive, self-motivated and analytical, working in a very fluid environment and atmosphere.

Auditors' decreasing involvement in tax collection, due to consolidation of entities, will expand their role. In the

future, compliance auditors will also focus on public safety initiatives that involve investigations, providing regulatory oversight, and information resource.

Increases in technology will enhance information gathering and report writing. Employees will be required to have computer literacy skills ranging from very basic to advanced. More efficient programmers, database administrators, and network and systems support specialists will be necessary to increase technology efforts. A re-engineering of workflow processes, revising and streamlining, must also take place to identify and implement necessary automation for improved efficiency and greater productivity.

Employee training will need to be enhanced to an on-going continuing education program to provide sufficient training in new processes and to supplement prior training of those hired. This training modality should include both internal and external courses in classroom and/or seminar settings as well as instructional or on-line training. A basic need may also rise for increased usage of cross-training among employees and across divisions due to shrinking resources to hire additional manpower.

FUTURE WORKFORCE SKILL REQUIREMENTS

TABC enforcement agents will be required to have the ability to communicate well both verbally and in writing, as well as the ability to plan, analyze, organize, and lead. Increased knowledge and use of computer technology as well as proficient

computer user skills will become an integral part of the workplace.

Investigative skills will continue to be a necessary component in an agent's skill set. A background in investigations can be either required as a condition of employment or acquired after hiring. If the agency decides that it is not better served by requiring such skills and experience as a prerequisite of the job, then it should have a training program in place that ensures that agents acquire these needed skills.

Basic peace officer certification and a limited degree of law enforcement experience are no longer enough to satisfy the division's tactical needs. Agents will need a broader range of training, education, experience, and managerial skills.

To effectively and efficiently process all applications ensuring compliance with all provisions of the Texas Alcoholic Beverage Code, and Rules, and other local, state, and federal statutes will require employees with varied attributes. These may include, but are not limited to additional formal education, degrees in business, accounting, finance, or other related fields, the ability to analyze various and complex structures, and supervisory skills or management potential.

Compliance auditors, similar to enforcement agents, will require investigative skills, the ability to communicate, and the ability to plan, analyze, and organize. Increased knowledge and use of computer technology will be necessary as well.

Cash handling experience, customer service, problem resolution, report writing, oral and written communications, and safety awareness will remain necessary as basic level skills.

Support services will require maintaining a knowledgeable and competent staff. As those services move toward a more strategic focus, staff will need skills such as project management, teamwork, negotiation and facilitation, strategic planning, business process re-engineering, statistical analysis, fiscal management, and performance assessments.

Technical environment workforce skills, with expanded technology, will also require change and security management, network and operating systems expertise, database administration and other training as essential for future positions. More specifically, PC and PC application skills and working knowledge of external systems such as USAS, USPS and ABEST will become required skills for employees in several divisions.

STAFFING NEEDS

To perform critical functions as outlined above, the TABC has a cap of 685 FTEs. Of those 685 FTEs, 291 are budgeted commissioned peace officer positions in the enforcement division. Inability to hire or excess delays in hiring replacements for vacant peace officer position adversely affect performance achievement. Failure or inability to maintain adequate skill and proficiency levels among the agents also adversely affects performance achievement, and of course, the range of skills and

proficiencies necessary will expand as new tactical methods are employed.

With respect to staffing and the skill and proficiency levels of its agents, the division's chief concern is that future retirements will lead to an exit of manpower, knowledge, and experience. Compounding this concern is the fact that all law enforcement agencies are competing for a shrinking applicant pool, and state agencies with enforcement responsibilities are unable to attract top candidates due to a noncompetitive salary structure. This concern is magnified by the number of employees that are eligible for retirement over the next five years. A large number of retirements, in addition to regular turnover, could have an impact on the agency's operations for a period of time.

The licensing division is currently authorized 47 employees. An increase in full-time positions will be required to meet future demands.

Past reviews to automate parts of the applications process have indicated no reduction of staff would be obtained and one review actually required an increase of three staff. However, automation of agency programs overall may result in the re-evaluation of workloads within all divisions as to staffing.

Automating a complex licensing process that is constrained by statutory qualification requirements and the applicants' need for capital, protection of liability, and other business decisions, will be a long term process that will most likely be achieved in phases throughout the next few years. The division will utilize project management skills as well as technology.

License and permit cancellations will continue to affect this division's needs and will definitely increase the need for additional attorneys in the legal division due to an increased caseload resulting from increased enforcement efforts.

The compliance division anticipates a need for increased field personnel to conduct investigations, audits, and analyses.

The ports of entry section will need additional personnel due to renovation of existing bridges. Several positions will be required for two bridges being renovated. Paso Del Norte Port of Entry will have an additional vehicular workstation staffed 16 hours per day (two shifts) which will require additional manpower. Progreso Port of Entry will also be undergoing renovation, which will increase the distance between the pedestrian workstation and the vehicular workstation. Whereas in the past, both workstations could be staffed by one employee, it will now require two. Additional bridges in the lower Rio Grande Valley area are scheduled to come on-line in the near future. They are Anzalduas in late 2009 and Donna-Rio Bravo in early 2010. Guadalupe-Tornillos POE in El Paso is scheduled to open in 2012.

Additional staff may ultimately be required in headquarters to balance the increased field staff. Supervisory or managerial positions may also become necessary depending on the overall increase of agency positions in relation to current management/staff ratios. Additionally, other factors such as an increase in the workforce size, increased demands on existing programs, onset of new programs or

tasks such as internet on-line processing, and reallocations of processes may also create the need for additional personnel, especially in service related divisions.

CRITICAL FUNCTIONS

Determining the agency's workforce requirements for the future needs to take into account a range of factors. The following critical functions have been identified:

- Enforcement activities such as inspections, complaint investigations, and public education programs to achieve goals and objectives.
- Process applications for all phases of the alcohol beverage industry involving the manufacturing, sale, purchase, transportation, storage, and distribution of alcoholic beverages and determine each applicant's qualifications to hold such license or permit.
- Maintain complete and accurate information of all licensees and permittees and provide this information in a timely manner to agency personnel, members of the alcohol beverage industry, other law enforcement and state agencies, and to the general public.
- Ensure the state is adequately protected from the potential loss of revenue from taxes and non-compliance by maintaining current tax security and performance bonding.
- Process monthly tax and informational reports and credit law notices. Monitor and evaluate seller training schools and classes. In compliance with code and rules, collect taxes on alcoholic beverages and cigarettes.
- Conduct investigations, audits and analyses, inspections of licensed entities, and inspections of applicants holding alcoholic beverage permits or licenses. Maintain and account for confiscated properties.
- Strategically move toward re-engineering of the agency's database systems. Increase support of the agency's network and PC computing environments, and increase security awareness and oversight.
- Process all financial transactions in an efficient and timely manner and prepare necessary reports for management and as statutorily required. Budget agency appropriations and manage grant programs effectively.
- Attract and retain qualified applicants for positions within the agency and develop and train agency employees for future positions within all divisions.
- Maintain voice and radio communications systems and portfolio of office, radio, and warehouse leases. Procure goods and services effectively and efficiently, and manage vehicle fleet and capital equipment.
- Explore and implement cost effective changes utilizing the advancements in technology.

SECTION IV

Gap Analysis

ANTICIPATED SURPLUS/SHORTAGE OF EMPLOYEES

A shortage of qualified police recruits is dependent upon three factors: (1) growth of staffing relative to the growth of general population, (2) growth of staffing relative to the growth of the potential pool of applicants, and (3) the competitiveness of the state salary structure.

Based on past history, any growth in staffing is likely to be relatively small and certainly not proportionate to the growth of the general population. As for the pool of potential applicants, it will shrink relative to the general population, but still grow in absolute terms.

As the legislature mandated, the state must complete a salary review of Schedule C to ensure that the salary scale is moderately competitive (better than most small or intermediate size police departments and sheriff's offices). If salary levels are changed or kept current based upon that review, the TABC should be able to recruit in numbers sufficient to meet manpower needs. If state salaries are highly competitive (as good as or higher than those of large metropolitan departments), then the agency will not only meet basic manpower needs, but should also be able to minimize personnel development costs by hiring experienced officers who already have the full range of knowledge, skills, and abilities needed for agency service.

Past experiences have demonstrated how difficult it has been to attract, develop and retain qualified applicants

for all support positions within several divisions. Many of the processes and/or job tasks are moving away from clerical untrained and unskilled positions to positions requiring more formal education and technical training. As the agency reengineers processes, positions will be reclassified to higher-level positions requiring additional funding.

Advancement opportunities are limited within the agency in several division-specific positions as well as agencywide positions, which discourages many of the more qualified and educated employees from making long-term plans and commitments. In many instances, the agency has experienced losing full-time positions in favor of salary increases to retain existing staff due to the difficulty in attracting and retaining qualified employees.

The information resources division's effort in hiring personnel with technology experience is hindered by the lack of quality applicants in technical positions.

Trends demonstrate increasing annual turnover rates for technical positions, as younger technical employees (by age and length of service) are not staying with the agency. The rate at which younger, less tenured employees are leaving is affecting the agency's ability to position key staff members for promotion, career development and succession planning.

ANTICIPATED SURPLUS/SHORTAGE OF SKILLS

The compromises made at the time of hiring will force the TABC to invest more resources in agent training and development. Because the unusually high number of retirements will create

immediate and acute shortages in the knowledge and skills needed for operations, a greater proportion of this investment will have to be made at the front-end of careers than ever before.

Expected shortages include a lack of computer and oral communications skills among recruits. Few are expected to be sufficiently familiar with investigative techniques and procedures or with techniques and procedures for undercover operations. Lack of knowledge concerning the Alcoholic Beverage Code has always been common among recruits but will be even more critical due to the presence of fewer tenured employees to provide on-the-job instruction in practical applications.

Within the compliance division, field personnel are primarily college educated with accounting/business degrees. A significant percentage of those employees will also become eligible for retirement in the next five years. Both the auditor positions and the accounts examiner positions require extensive knowledge of the Alcoholic Beverage Code. Since tenured employees may not be available to mentor and coach new employees, it will be necessary to recruit applicants with the ability to interpret and apply statutes and law, the ability to multitask and work independently.

Increasingly there is a shortage of skilled workers with the diversification of job skills now required for the majority of positions within the agency. This makes replacement of most positions with qualified applicants a challenge considering current compensation levels as compared to the private sector and other state agencies.

Several key positions throughout the agency, and especially in information technology management, have not been targeted for succession planning, although a number of employees have been identified as eligible for retirement in the next five years. A lack of skilled information technology programmers has slowed the development process for new systems, resulting in more outsourcing contracts. Additionally, Internet-based skill sets are not being developed as quickly as needed. The next generation database, programming and operating systems skills are lacking, and internal candidates for information technology positions are experiencing difficulty competing for higher positions because of limited technical experience.

The ports of entry section does not anticipate a shortage of skills within the next five years, as this segment of the workforce is diverse enough to develop and train future supervisory and management personnel from within the ranks. Working knowledge acquired through length of service coupled with on-site training will enable selecting from current employees.

Throughout the agency, managers are currently sufficiently skilled in all necessary areas at this time and are likely to remain secure for the next five years. At the next level, there may be some gaps in skills related to decision-making, business process analysis, statistical analysis and computer skills; however, this will not present a significant problem unless these individuals aspire to become managers. This gap could be difficult to close because of the educational background of current staff and limited opportunity to learn such skills on the job. Manager

positions are relatively competitive as far as salary is concerned, so the agency could attract employees from outside that would have the necessary skills.

NEW SKILLS NEEDED

The need for new skills will arise whenever operational methods change or when new strategies or sub-strategies are added. Changes in high-level strategies, the fine-tuning of existing methods and the adoption of new ones is an on-going process. Such changes are, however, generally incremental and are built on existing skills. When the need for new skill results from changes or additions to existing operational methods, training will be provided in advance of full implementation.

To accomplish the mission and goals of the agency, future employees must possess the ability to make sound decisions, communication skills both verbal and written, computer skills, business, finance, accounting background or training, analytical skills, customer service, management and supervisory experience, and the ability to work within a stressful atmosphere.

In several areas and for key positions, investigative skills, problem resolution, project management, various certifications, business process analysis, and statistical analysis may also be required.

SECTION V

Strategy Development

In an attempt to address identified deficits between the current workforce and future demands, several strategies

will be implemented for the current workforce. These are based on a range of factors identified through analyzing the agency and its workforce.

ORGANIZATIONAL STRUCTURE

Continue to realign personnel and restructure processes utilizing more technology and moving away from labor-intensive manual processes to electronic processes and computer-based applications.

Increase requirement levels of formal education for key positions to facilitate career development among positions. In some cases, education, training and certifications may become of more value than experience and will be assigned a higher weight during selection processes.

RETENTION PROGRAMS

Encourage greater utilization of staggered work hours and work incentive (flexible) schedules by employees. Encourage increased usage of telecommuting and implement job sharing program.

Utilize performance enhancement programs such as use of administrative leave and employee recognition. Increase educational incentives and allow for greater flexibility to meet educational demands.

Increase the availability of training both inside and outside of the agency. Increase the use of online training. Develop a method of notifying employees of available training, registering for training and accessing training records. The agency should continue to seek opportunities to offer in-house training at different locations

throughout the state to accommodate more employees.

Create an employee development program that allows employees to gain training in skills needed for current positions and higher-level positions. Continue to identify core-training needs for each employee and locate or develop training resources to meet those needs. Training will have both a developmental and job specific focus.

Implement career ladders and encourage greater state benefits through appropriate channels.

RECRUITMENT PLANS

Establish a hiring process for agent trainee positions that includes a process to hire agents throughout the year, establish recruitment specialist positions and increase recruitment in specific areas and locations throughout the year.

Establish a relationship with college and university career centers to recruit graduates and alumni. Increase participation in high school, college and university vocational training and internship programs.

Seek additional cost efficient recruitment resources that are targeted or all areas of the population for key positions within the agency.

Establish membership with associations related to the operations of TABC to facilitate cost effective advertising.

CAREER DEVELOPMENT PROGRAMS

Encourage participation in Governor's Management Development Program

and Bill Blackwood Law Enforcement Training Program.

Encourage participation in state sponsored fundamental courses such as Fiscal Officer, Human Resources, and Information Technology academies.

Coordinate and participate with other state agencies in their training by exchanging areas of experience and expertise.

SUCCESSION PLANNING

Continue agencywide career ladder for key positions and competitive promotional process for ranking law enforcement positions.

Select personnel for advancement either by employee's indicating their desire for advancement or based on supervisor's opinion of employee's ability.

Increase employee job functions and task responsibilities through cross training, job shadowing or special projects.

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

LEADERSHIP DEVELOPMENT

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

Require completion of basic supervisory courses that include a fundamental core of workplace issues relating to management and supervision for all employees in lead or supervisory

position as well as those employees being developed to those levels.

Utilize team and project leaders in special projects, new initiatives or applicable agency processes.

**ORGANIZATIONAL TRAINING AND
EMPLOYEE DEVELOPMENT**

Encourage participation in Governor's Management Development Program and Bill Blackwood Law Enforcement Training Program.

Continue to provide mandatory training for key positions requiring continuing education mandates.

Continue to provide basic training for respective job functions and tasks such as licensing procedures, business entity training, customer service, Alcoholic Beverage Code and agency rules, and other timely work issues.

Increase accessibility to computer based training, both interactive and on-line instruction.

Develop training profiles for employees to assist in identifying potential career advancement and address performance issues.

Increase and develop new training, addressing unique needs of core groups for respective job functions and tasks.

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